



JENNIFER M. GRANHOLM
GOVERNOR

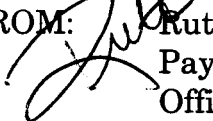
STATE OF MICHIGAN
OFFICE OF THE STATE BUDGET
LANSING

ROBERT L. EMERSON
DIRECTOR

December 20, 2007

MEMORANDUM

TO: Finance, Administrative, and Human Resource Officers

FROM:  Ruth Mealy, Director
Payroll and Tax Reporting Division
Office of Financial Management

SUBJECT: Social Security, Medicare, and Retirement Rates

For calendar year 2008, the wage base for withholding social security has increased from \$97,500 to \$102,000. The attached table reflects this change. Social security, Medicare and retirement rates have not changed since the table was issued on September 26, 2007.

All changes in the table will be effective with the January 10, 2008 pay date.

The current copy of this memo, attachments and future updates will be available on the Office of Financial Management's website under Policies & Procedures/Payroll Letters/Directives at <http://www.michigan.gov/ofm>.

Please refer any questions regarding this memo to Amy Rice, Office of Financial Management, Payroll and Tax Reporting Division at (517) 241-0832.

Attachment

Cc w/ att:	N. Duncan	T. Hall, OSE
	M. Moody	D. Pintacura
	L. Mester	J. Paxton
	D. Ringler	J. Hallitt
	P. Lack	OSB Directors
	P. Stoddard – ORS	PTR Staff
	J. Winters – CS	

SOCIAL SECURITY, MEDICARE, AND RETIREMENT RATES
January 1, 2008

Rtmt. Code	Calendar Yr. Earnings	Employee Share				State Share			
		Social Security	Medicare	Retirement	Total	Social Security	Medicare	Retirement	Total
01	\$0 - \$102,000	6.20%	1.45%	0.00%	7.65%	6.20%	1.45%	35.10%	42.75%
	Over \$102,000	0.00%	1.45%	0.00%	1.45%	0.00%	1.45%	35.10%	36.55%
02	All	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	54.18%	54.18%
03	\$0 - \$102,000	6.20%	1.45%	0.00%	7.65%	6.20%	1.45%	0.00%	7.65%
	Over \$102,000	0.00%	1.45%	0.00%	1.45%	0.00%	1.45%	0.00%	1.45%
04	\$0 - \$102,000	6.20%	1.45%	0.00%	7.65%	6.20%	1.45%	30.12%	37.77%
	Over \$102,000	0.00%	1.45%	0.00%	1.45%	0.00%	1.45%	30.12%	31.67%
05	\$0 - \$102,000	6.20%	1.45%	0.00%	7.65%	6.20%	1.45%	0.00%	7.65%
	Over \$102,000	0.00%	1.45%	0.00%	1.45%	0.00%	1.45%	0.00%	1.45%
06	All	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
07	\$0 - \$102,000	6.20%	1.45%	0.00%	7.65%	6.20%	1.45%	0.00%	7.65%
	Over \$102,000	0.00%	1.45%	0.00%	1.45%	0.00%	1.45%	0.00%	1.45%
08	\$0 - \$102,000	6.20%	1.45%	3.50%	11.15%	6.20%	1.45%	0.00%	7.65%
	Over \$102,000	0.00%	1.45%	3.50%	4.95%	0.00%	1.45%	0.00%	1.45%
09	\$0 - \$102,000	6.20%	1.45%	9.00%	16.65%	6.20%	1.45%	0.00%	7.65%
	Over \$102,000	0.00%	1.45%	9.00%	10.45%	0.00%	1.45%	0.00%	1.45%
10	\$0 - \$102,000	6.20%	1.45%	1.50%	9.15%	6.20%	1.45%	0.00%	7.65%
	Over \$102,000	0.00%	1.45%	1.50%	2.95%	0.00%	1.45%	0.00%	1.45%
11	\$0 - \$102,000	6.20%	1.45%	0.00%	7.65%	6.20%	1.45%	0.00%	7.65%
	Over \$102,000	0.00%	1.45%	0.00%	1.45%	0.00%	1.45%	0.00%	1.45%

SOCIAL SECURITY, MEDICARE, AND RETIREMENT RATES
January 1, 2008

Rtmt. Code	Calendar Yr. Earnings	Employee Share				State Share			
		Social Security	Medicare	Retirement	Total	Social Security	Medicare	Retirement	Total
12	\$0 - \$102,000	6.20%	1.45%	5.00%	12.65%	6.20%	1.45%	0.00%	7.65%
	Over \$102,000	0.00%	1.45%	5.00%	6.45%	0.00%	1.45%	0.00%	1.45%
13	\$0 - \$102,000	6.20%	1.45%	3.58%	11.23%	6.20%	1.45%	0.00%	7.65%
	Over \$102,000	0.00%	1.45%	3.58%	5.03%	0.00%	1.45%	0.00%	1.45%
14	\$0 - \$102,000	6.20%	1.45%	8.36%	16.81%	6.20%	1.45%	0.00%	7.65%
	Over \$102,000	0.00%	1.45%	8.36%	9.81%	0.00%	1.45%	0.00%	1.45%
15	\$0 - \$102,000	6.20%	1.45%	8.38%	16.03%	6.20%	1.45%	0.00%	7.65%
	Over \$102,000	0.00%	1.45%	8.38%	9.83%	0.00%	1.45%	0.00%	1.45%
16	\$0 - \$102,000	6.20%	1.45%	3.59%	11.24%	6.20%	1.45%	0.00%	7.65%
	Over \$102,000	0.00%	1.45%	3.59%	5.04%	0.00%	1.45%	0.00%	1.45%
17	All	0.00%	1.45%	0.00%	1.45%	0.00%	1.45%	54.18%	55.63%
18	All	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
19	All	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
20	All	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
22	All	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
23	All	0.00%	1.45%	0.00%	1.45%	0.00%	1.45%	0.00%	1.45%
24	\$0 - \$102,000	6.20%	1.45%	5.23%	12.88%	6.20%	1.45%	0.00%	7.65%
	Over \$102,000	0.00%	1.45%	5.23%	6.68%	0.00%	1.45%	0.00%	1.45%
25	\$0 - \$102,000	6.20%	1.45%	3.00%	10.65%	6.20%	1.45%	0.00%	7.65%
	\$4,200 - \$102,000	6.20%	1.45%	5.00%	12.65%	6.20%	1.45%	0.00%	7.65%
	Over \$102,000	0.00%	1.45%	5.00%	6.45%	0.00%	1.45%	0.00%	1.45%

SOCIAL SECURITY, MEDICARE, AND RETIREMENT RATES
January 1, 2008

Rtmt. Code	Calendar Yr. Earnings	Employee Share				State Share			
		Social Security	Medicare	Retirement	Total	Social Security	Medicare	Retirement	Total
26	\$0 - \$102,000	6.20%	1.45%	0.00%	7.65%	6.20%	1.45%	41.98%	49.63%
	Over \$102,000	0.00%	1.45%	0.00%	1.45%	0.00%	1.45%	41.98%	43.43%
27	\$0 - \$102,000	6.20%	1.45%	7.00%	14.65%	6.20%	1.45%	0.00%	7.65%
	Over \$102,000	0.00%	1.45%	7.00%	8.45%	0.00%	1.45%	0.00%	1.45%
30	\$0 - \$102,000	6.20%	1.45%	13.50%	21.15%	6.20%	1.45%	0.00%	7.65%
	Over \$102,000	0.00%	1.45%	13.50%	14.95%	0.00%	1.45%	0.00%	1.45%
31	\$0 - \$102,000	6.20	1.45%	10.46%	18.11%	6.20%	1.45%	0.00%	7.65%
	Over \$102,000	0.00%	1.45%	10.46%	11.91%	0.00%	1.45%	0.00%	1.45%
32	\$0 - \$102,000	6.20	1.45%	10.40%	18.05%	6.20%	1.45%	0.00%	7.65%
	Over \$102,000	0.00%	1.45%	10.40%	11.85%	0.00%	1.45%	0.00%	1.45%
40	\$0 - \$102,000	6.20%	1.45%	Varies ¹	Varies 7.65%-10.65%	6.20%	1.45%	Varies ²	Varies 23.05-26.05%
	Over \$102,000	0.00%	1.45%	0-3%		0.00%	1.45%	15.40-18.40%	16.85-19.85%
50	\$0 - \$102,000	6.20%	1.45%	Varies ¹	Varies 7.65%-10.65%	6.20%	1.45%	Varies ³	Varies 11.65-14.65%
	Over \$102,000	0.00%	1.45%	0-3%		0.00%	1.45%	4-7%	5.45-8.45%
52	\$0 - \$102,000	6.20%	1.45%	Varies ¹	Varies 9.65%-12.65%	6.20%	1.45%	Varies ³	Varies 11.65-14.65%
	Over \$102,000	0.00%	1.45%	2-5%		0.00%	1.45%	4-7%	5.45-8.45%
60	\$0 - \$102,000	6.20%	1.45%	Varies ¹	Varies 7.65%-10.65%	6.20%	1.45%	Varies ³	Varies 11.65-14.65%
	Over \$102,000	0.00%	1.45%	0-3%		0.00%	1.45%	4-7%	5.45-8.45%

¹ Code DZ40 or DJ40 varies from 0.00% to 3.00%, depending on employee election.

² Includes mandatory state share (DZ4S) (4%⁴), state match of optional employee share (DZ40) (0.00% to 3.00%), and state share for post-retirement health insurance benefits (RE40) (11.40%).

³ The contribution for codes DZ4S & DJ4S is 4.0%⁴. The contribution for codes DZ40 and DJ40 varies from 0.00% to 3.0%.

⁴ The 4.0% is comprised of cash expenditures of 3.92% (Deduction Codes YD40 & YJ40) and use of forfeiture account balances of 0.08% (YD41 & YJ41). No expenditure is incurred for forfeiture amounts.